(17) Bank will not expand its staff/fill up vacancies.

(b) Punjab & Sind Bank has reported that they have taken action on the points referred by Reserve Bank of India.

Reduction in Prime lending rates

68. SHRI A. VIJAYARAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether banks are planning to reduce their prime lending rates;

(b) if so, the details thereof;

(c) whether the deposit rates of banks are reduced to the lower levels recently;

(d) if so, whether this will affect bank deposits;

(e) what is the total deposits in the nationalised banks in Kerala, bank-wise, category-wise as on today; and

(f) the total amount of loan distributed in Kerala by banks, bank-wise, category-wise as on today?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) RBI has reported that in the existing deregulated regime, the interest rates on advances are determined by the banks themselves with the approval of their Boards based on their commercial judgement. Banks are free to make changes in their Prime Lending Rates (PLRs). The range of PLRs of the bank groups during the previous three years is as under :

Bank's Group	March 2001	March 2002	March 2003	November 2003
Public Sector Banks	10.00–13.00	10.00–12.50	9.00–12.25	9.00–12.25
Private Sector Banks	8.00–15.50	10.00–15.50	7.00–15.50	7.00–15.50
Foreign Banks	9.25–17.50	9.00–17.50	6.75–17.50	4.85–17.50

(c) Banks are free to determine their term deposit rates. The deposit rate of commercial banks come down in the recent times. The range of deposit rates of bank groups during the last three years is as under :

Bank's Group	March 2001	March 2002	March 2003	November 2003
Public Sector Banks	4.00–10.50	4.25–8.75	4.00–7.00	3.75–6.00
Private Sector Banks	5.00–11.50	5.00–10.00	3.50–8.00	3.00–8.00
Foreign Banks	4.25–10.75	4.25–10.00	3.00–8.50	3.00–8.00

(d) Reduction of deposit rate is unlikely to have an adverse impact over the deposit growth within the banking system as it is broadly consistent with the decline in inflation rate and nominal interest rate in the economy. In fact, the aggregate deposit of the banking system grew by 14.6 per cent in 2001-02, 16.1 per cent in 2002-03 and 8.6 per cent in 2003-04 (up to October 2003) despite reduction in deposit rates.

(e) and (f) The information is given in the Annexure. [*See* Appendix 200, Annexure No. 1]

Paradeep Oil Refinery projects

69. SHRI RAMACHANDRA KHUNTIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government still have the proposal to implement Paradeep Oil Refinery in Orissa; if so, what is the total budget, time frame and why the proposal has not been implemented, although the Prime Minister laid the project foundation;

(b) whether the so-called dispute with the State Government has been settled and if so, the details thereof; and

(c) whether it is a fact that instead of Paradeep Oil Refinery, now Government are intending for only a pipeline and storage for crude oil in Paradeep?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) Indian Oil Corporation Limited (IOCL) have proposed to implement the Paradeep refinery project at an estimated cost of Rs. 7500 crore with the completion scheduled in the later half of 11th Five Year Plan. The project has been delayed due to several factors including subsequent withdrawal of M/s Kuwait Petroleum Corporation from the Joint Venture, withdrawal of the originally granted tax incentives by Orissa Government and change in demand/supply position on an all India basis.